CARDUS

**MEMORANDUM**

**TO:** Members of the Legislative Committee on Bill C-39

**FROM:** Renze Nauta, Program Director, Work and Economics
**DATE:** November 4, 2026

**SUBJECT: CC39 Committee's Study of Bill C-39, An Act respecting certain measures to strengthen the economy**

## WHO WE ARE

Cardus is a non-partisan think tank dedicated to clarifying and strengthening, through research and dialogue, the ways in which society's institutions can work together for the common good.

## ISSUE

Bill C-39 seeks to amend s. 107 of the *Canada Labour Code* to provide structure to ministerial orders to the Canada Industrial Relations Board to end a strike or lockout in federally-regulated sectors.

## POSITION AND RECOMMENDATIONS

The bill should be amended:

- To restrict ministerial orders to end a strike or lockout under s. 107 to *urgent and severe* threats to the national interest.
- To require parliamentary scrutiny of an order under s. 107, including the ability of Parliament to revoke the order.

## RATIONALE

Cardus believes that labour relations should, in the ordinary course of affairs, be left to negotiation between labour and employers. We also recognize that there are legitimate, albeit rare, circumstances where a negative and serious threat to the national interest justifies the government's intervention in a strike or lockout.

The decision to intervene in labour relations is very serious and should pass a high threshold before being taken. Up until recently, the ordinary means of such intervention was back-to-work legislation, allowing formal parliamentary scrutiny of the government's authority. For most non-urgent matters of national interest, this method should be retained.

That said, there are certain, even rarer, circumstances where the urgency of a threat to the national interest may require swifter action than back-to-work legislation allows. These circumstances may be legitimate cases for a ministerial order under the proposed new s. 107, but they do not negate the need for parliamentary scrutiny. The government ought to put its decision to a parliamentary test. Examples of retroactive parliamentary scrutiny can be found in the *Canadian Transportation Act* and the *Emergencies Act*.

The national interest is the concern of all three branches of government, including the legislative branch. The process should reflect the gravity of the decision.

## DETAILS FOR AMENDMENTS

Cardus recommends the following amendments:

That section 334 of the bill be amended by replacing "adversely affects or may adversely affect" with "adversely, urgently, and severely affects".

That section 334 of the bill be amended by adding a new subsection following subsection 107(3):

> (4) The Minister shall cause any order made under subsection 107(2) to be laid before both Houses of Parliament within seven sitting days after the order is made.
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> (5) Where a resolution directing that an order made under this section be revoked is adopted by both Houses of Parliament before the expiration of thirty sitting days of Parliament after the order is laid before both Houses of Parliament, the order shall cease to have effect on the day that the resolution is adopted or, if the adopted resolution specifies a day on which the order shall cease to have effect, on that specified day.
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> (6) If an order is made during a prorogation of Parliament or when either House of Parliament stands adjourned, Parliament or that House, as the case may be, shall be summoned forthwith to sit within seven days after the order is issued.
>
> (7) If an order is made at a time when the House of Commons is dissolved, Parliament shall be summoned to sit at the earliest opportunity after the order is issued.

That section 334 of the bill be amended by adding the words "subject to the conditions outlined in subsection (2)" after the words "take any measure that the Minister considers necessary".

## CONTACT

We would welcome the opportunity to meet with you and assist with future considerations on this issue. Please do not hesitate to contact us at rnauta@cardus.ca.